

## 102ND GENERAL ASSEMBLY State of Illinois 2021 and 2022 HB4383

Introduced 1/21/2022, by Rep. Eva Dina Delgado

## SYNOPSIS AS INTRODUCED:

220 ILCS 5/8-406 220 ILCS 5/8-406.1 from Ch. 111 2/3, par. 8-406

Amends the Public Utilities Act. In provisions concerning an application for a certificate of public convenience and necessity, provides that the Illinois Commerce Commission shall notify each owner of record of land included in a right-of-way over which the utility seeks in its application to construct a high-voltage electric line of the time and place scheduled for the initial hearing on the public utility's application by certified mail (rather than registered mail).

LRB102 22689 SPS 31835 b

1 AN ACT concerning regulation.

## Be it enacted by the People of the State of Illinois, represented in the General Assembly:

- Section 5. The Public Utilities Act is amended by changing

  Sections 8-406 and 8-406.1 as follows:
- 6 (220 ILCS 5/8-406) (from Ch. 111 2/3, par. 8-406)
- Sec. 8-406. Certificate of public convenience and necessity.
- 9 (a) No public utility not owning any city or village franchise nor engaged in performing any public service or in 10 furnishing any product or commodity within this State as of 11 July 1, 1921 and not possessing a certificate of public 12 convenience and necessity from the 13 Illinois Commerce 14 Commission, the State Public Utilities Commission, or the Public Utilities Commission, at the time Public Act 84-617 15 16 this amendatory Act of 1985 goes into effect (January 1, 17 1986), shall transact any business in this State until it shall have obtained a certificate from the Commission that 18 19 public convenience and necessity require the transaction of such business. A certificate of public convenience and 20 21 necessity requiring the transaction of public utility business 22 in any area of this State shall include authorization to the public utility receiving the certificate of public convenience 23

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- and necessity to construct such plant, equipment, property, or facility as is provided for under the terms and conditions of its tariff and as is necessary to provide utility service and carry out the transaction of public utility business by the public utility in the designated area.
  - (b) No public utility shall begin the construction of any new plant, equipment, property  $\underline{\phantom{a}}$  or facility which is not in substitution of any existing plant, equipment, property, or facility, or any extension or alteration thereof or in addition thereto, unless and until it shall have obtained from the Commission a certificate that public convenience and necessity require such construction. Whenever after a hearing the Commission determines that any new construction or the transaction of any business by a public utility will promote the public convenience and is necessary thereto, it shall have the power to issue certificates of public convenience and necessity. The Commission shall determine that proposed construction will promote the public convenience and necessity only if the utility demonstrates: (1) that the proposed construction is necessary to provide adequate, reliable, and efficient service to its customers and is the least-cost means of satisfying the service needs of its customers or that the proposed construction will promote the development of an effectively competitive electricity market that operates efficiently, is equitable to all customers, and is the least cost means of satisfying those objectives; (2) that the

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utility is capable of efficiently managing and supervising the 1 construction process and has taken sufficient action to ensure adequate and efficient construction and supervision thereof; and (3) that the utility is capable of financing the proposed construction without significant adverse consequences for the utility or its customers.

(b-5) As used in this subsection (b-5):

"Qualifying direct current applicant" means an entity that seeks to provide direct current bulk transmission service for the purpose of transporting electric energy in interstate commerce.

"Qualifying direct current project" means a high voltage direct current electric service line that crosses at least one Illinois border, the Illinois portion of which is physically located within the region of the Midcontinent Independent System Operator, Inc., or its successor organization, and runs through the counties of Pike, Scott, Greene, Macoupin, Montgomery, Christian, Shelby, Cumberland, and Clark, is capable of transmitting electricity at voltages of 345 kilovolts 345kv or above, and may also include associated interconnected alternating current interconnection facilities in this State that are part of the proposed project and reasonably necessary to connect the project with other portions of the grid.

Notwithstanding any other provision of this Act, a qualifying direct current applicant that does not own,

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control, operate, or manage, within this State, any plant, equipment, or property used or to be used for the transmission of electricity at the time of its application or of the Commission's order may file an application on or before December 31, 2023 with the Commission pursuant to this Section or Section 8-406.1 for, and the Commission may grant, a certificate of public convenience and necessity to construct, operate, and maintain a qualifying direct current project. The qualifying direct current applicant may also include in the application requests for authority under Section 8-503. The Commission shall grant the application for a certificate of public convenience and necessity and requests for authority under Section 8-503 if it finds that the qualifying direct current applicant and the proposed qualifying direct current project satisfy the requirements of this subsection and otherwise satisfy the criteria of this Section or Section 8-406.1 and the criteria of Section 8-503, as applicable to the application and to the extent such criteria are not superseded by the provisions of this subsection. The Commission's order on the application for the certificate of public convenience and necessity shall also include the Commission's findings and determinations on the request or requests for authority pursuant to Section 8-503. Prior to filing its application under either this Section or Section 8-406.1, the qualifying direct current applicant shall conduct 3 public meetings in accordance with subsection (h) of this

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Ιf qualifying Section. the direct current applicant demonstrates in its application that the proposed qualifying direct current project is designed to deliver electricity to a point or points on the electric transmission grid in either or both the PJM Interconnection, LLC or the Midcontinent Inc., Independent System Operator, or their respective successor organizations, the proposed qualifying current project shall be deemed to be, and the Commission shall find it to be, for public use. If the qualifying direct current applicant further demonstrates in its application that the proposed transmission project has a capacity of 1,000 megawatts or larger and a voltage level of 345 kilovolts or greater, the proposed transmission project shall be deemed to satisfy, and the Commission shall find that it satisfies, the criteria stated in item (1) of subsection (b) of this Section or in paragraph (1) of subsection (f) of Section 8-406.1, as applicable to the application, without the taking of additional evidence on these criteria. Prior to the transfer of functional control of any transmission assets to a regional transmission organization, а qualifying direct applicant shall request Commission approval to join a regional transmission organization in an application filed pursuant to this subsection (b-5) or separately pursuant to Section 7-102 of this Act. The Commission may grant permission to a qualifying direct current applicant to join a regional transmission organization if it finds that the membership, and

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associated transfer of functional control of transmission assets, benefits Illinois customers in light of the attendant costs and is otherwise in the public interest. Nothing in this subsection (b-5) requires a qualifying direct current applicant to join a regional transmission organization. Nothing in this subsection (b-5) requires the owner or operator of a high voltage direct current transmission line that is not a qualifying direct current project to obtain a certificate of public convenience and necessity to the extent it is not otherwise required by this Section 8-406 or any other provision of this Act.

(c) After September 11, 1987 (the effective date of Public Act 85-377) this amendatory Act of 1987, no construction shall commence on any new nuclear power plant to be located within this State, and no certificate of public convenience and necessity or other authorization shall be issued therefor by Commission, until the Director of t.he Illinois the Environmental Protection Agency finds that the United States Government, through its authorized agency, has identified and approved a demonstrable technology or means for the disposal of high level nuclear waste, or until such construction has been specifically approved by a statute enacted by the General Assembly.

As used in this Section, "high level nuclear waste" means those aqueous wastes resulting from the operation of the first cycle of the solvent extraction system or equivalent and the

- concentrated wastes of the subsequent extraction cycles or equivalent in a facility for reprocessing irradiated reactor fuel and shall include spent fuel assemblies prior to fuel reprocessing.
  - (d) In making its determination under subsection (b) of this Section, the Commission shall attach primary weight to the cost or cost savings to the customers of the utility. The Commission may consider any or all factors which will or may affect such cost or cost savings, including the public utility's engineering judgment regarding the materials used for construction.
  - (e) The Commission may issue a temporary certificate which shall remain in force not to exceed one year in cases of emergency, to assure maintenance of adequate service or to serve particular customers, without notice or hearing, pending the determination of an application for a certificate, and may by regulation exempt from the requirements of this Section temporary acts or operations for which the issuance of a certificate will not be required in the public interest.

A public utility shall not be required to obtain but may apply for and obtain a certificate of public convenience and necessity pursuant to this Section with respect to any matter as to which it has received the authorization or order of the Commission under the Electric Supplier Act, and any such authorization or order granted a public utility by the Commission under that Act shall as between public utilities be

deemed to be, and shall have except as provided in that Act the same force and effect as, a certificate of public convenience and necessity issued pursuant to this Section.

No electric cooperative shall be made or shall become a party to or shall be entitled to be heard or to otherwise appear or participate in any proceeding initiated under this Section for authorization of power plant construction and as to matters as to which a remedy is available under the Electric Supplier Act.

(f) Such certificates may be altered or modified by the Commission, upon its own motion or upon application by the person or corporation affected. Unless exercised within a period of 2 years from the grant thereof, authority conferred by a certificate of convenience and necessity issued by the Commission shall be null and void.

No certificate of public convenience and necessity shall be construed as granting a monopoly or an exclusive privilege, immunity or franchise.

(g) A public utility that undertakes any of the actions described in items (1) through (3) of this subsection (g) or that has obtained approval pursuant to Section 8-406.1 of this Act shall not be required to comply with the requirements of this Section to the extent such requirements otherwise would apply. For purposes of this Section and Section 8-406.1 of this Act, "high voltage electric service line" means an electric line having a design voltage of 100,000 or more. For

- purposes of this subsection (g), a public utility may do any of the following:
  - (1) replace or upgrade any existing high voltage electric service line and related facilities, notwithstanding its length;
  - (2) relocate any existing high voltage electric service line and related facilities, notwithstanding its length, to accommodate construction or expansion of a roadway or other transportation infrastructure; or
  - (3) construct a high voltage electric service line and related facilities that is constructed solely to serve a single customer's premises or to provide a generator interconnection to the public utility's transmission system and that will pass under or over the premises owned by the customer or generator to be served or under or over premises for which the customer or generator has secured the necessary right of way.
  - (h) A public utility seeking to construct a high-voltage electric service line and related facilities (Project) must show that the utility has held a minimum of 2 pre-filing public meetings to receive public comment concerning the Project in each county where the Project is to be located, no earlier than 6 months prior to filing an application for a certificate of public convenience and necessity from the Commission. Notice of the public meeting shall be published in a newspaper of general circulation within the affected county once a week for

3 consecutive weeks, beginning no earlier than one month prior to the first public meeting. If the Project traverses 2 contiguous counties and where in one county the transmission line mileage and number of landowners over whose property the proposed route traverses is one-fifth or less of the transmission line mileage and number of such landowners of the other county, then the utility may combine the 2 pre-filing meetings in the county with the greater transmission line mileage and affected landowners. All other requirements regarding pre-filing meetings shall apply in both counties. Notice of the public meeting, including a description of the Project, must be provided in writing to the clerk of each county where the Project is to be located. A representative of the Commission shall be invited to each pre-filing public meeting.

(i) For applications filed after <u>August 18, 2015</u> (the effective date of <u>Public Act 99-399</u>) this amendatory Act of the 99th General Assembly, the Commission shall, by <u>certified mail</u>, registered mail notify each owner of record of land, as identified in the records of the relevant county tax assessor, included in the right-of-way over which the utility seeks in its application to construct a high-voltage electric line of the time and place scheduled for the initial hearing on the public utility's application. The utility shall reimburse the Commission for the cost of the postage and supplies incurred for mailing the notice.

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- 1 (Source: P.A. 102-609, eff. 8-27-21; 102-662, eff. 9-15-21;
- 2 revised 10-21-21.)
- 3 (220 ILCS 5/8-406.1)
- Sec. 8-406.1. Certificate of public convenience and necessity; expedited procedure.
  - (a) A public utility may apply for a certificate of public convenience and necessity pursuant to this Section for the construction of any new high voltage electric service line and related facilities (Project). To facilitate the expedited review process of an application filed pursuant to this Section, an application shall include all of the following:
- 12 (1) Information in support of the application that
  13 shall include the following:
- 14 (A) A detailed description of the Project,
  15 including location maps and plot plans to scale
  16 showing all major components.
- 17 (B) The following engineering data:
- 18 (i) a detailed Project description including:
- 19 (I) name and destination of the Project;
- 20 (II) design voltage rating (kV);
- 21 (III) operating voltage rating (kV); and
- 22 (IV) normal peak operating current rating;
- 23 (ii) a conductor, structures, and substations
- 24 description including:
- 25 (I) conductor size and type;

Τ	(II) type of structures;
2	(III) height of typical structures;
3	(IV) an explanation why these structures
4	were selected;
5	(V) dimensional drawings of the typical
6	structures to be used in the Project; and
7	(VI) a list of the names of all new (and
8	existing if applicable) substations or
9	switching stations that will be associated
10	with the proposed new high voltage electric
11	service line;
12	(iii) the location of the site and
13	right-of-way including:
14	(I) miles of right-of-way;
15	(II) miles of circuit;
16	(III) width of the right-of-way; and
17	(IV) a brief description of the area
18	traversed by the proposed high voltage
19	electric service line, including a description
20	of the general land uses in the area and the
21	type of terrain crossed by the proposed line;
22	(iv) assumptions, bases, formulae, and methods
23	used in the development and preparation of the
24	diagrams and accompanying data, and a technical
25	description providing the following information:
26	(I) number of circuits, with

1	identification as to whether the circuit is
2	overhead or underground;
3	(II) the operating voltage and frequency;
4	and
5	(III) conductor size and type and number
6	of conductors per phase;
7	(v) if the proposed interconnection is an
8	overhead line, the following additional
9	information also must be provided:
10	(I) the wind and ice loading design
11	parameters;
12	(II) a full description and drawing of a
13	typical supporting structure, including
14	strength specifications;
15	(III) structure spacing with typical
16	ruling and maximum spans;
17	(IV) conductor (phase) spacing; and
18	(V) the designed line-to-ground and
19	conductor-side clearances;
20	(vi) if an underground or underwater
21	interconnection is proposed, the following
22	additional information also must be provided:
23	(I) burial depth;
24	(II) type of cable and a description of
25	any required supporting equipment, such as
26	insulation medium pressurizing or forced

1	cooling;
2	(III) cathodic protection scheme; and
3	(IV) type of dielectric fluid and
4	safeguards used to limit potential spills in
5	waterways;
6	(vii) technical diagrams that provide
7	clarification of any item under this item (1)
8	should be included; and
9	(viii) applicant shall provide and identify a
10	primary right-of-way and one or more alternate
11	rights-of-way for the Project as part of the
12	filing. To the extent applicable, for each
13	right-of-way, an applicant shall provide the
14	information described in this subsection (a). Upon
15	a showing of good cause in its filing, an
16	applicant may be excused from providing and
17	identifying alternate rights-of-way.
18	(2) An application fee of \$100,000, which shall be
19	paid into the Public Utility Fund at the time the Chief
20	Clerk of the Commission deems it complete and accepts the
21	filing.
22	(3) Information showing that the utility has held a
23	minimum of 3 pre-filing public meetings to receive public
24	comment concerning the Project in each county where the
25	Project is to be located, no earlier than 6 months prior to

the filing of the application. Notice of the public

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meeting shall be published in a newspaper of general circulation within the affected county once a week for 3 consecutive weeks, beginning no earlier than one month prior to the first public meeting. If the Project traverses 2 contiquous counties and where in one county the transmission line mileage and number of landowners over whose property the proposed route traverses is 1/5 or less of the transmission line mileage and number of such landowners of the other county, then the utility may combine the 3 pre-filing meetings in the county with the greater transmission line mileage and affected landowners. All other requirements regarding pre-filing meetings shall apply in both counties. Notice of the public meeting, including a description of the Project, must be provided in writing to the clerk of each county where the Project is to be located. A representative of the Commission shall be invited to each pre-filing public meeting.

For applications filed after the effective date of this amendatory Act of the 99th General Assembly, the Commission shall, by certified mail, registered mail notify each owner of record of the land, as identified in the records of the relevant county tax assessor, included in the primary or alternate rights-of-way identified in the utility's application of the time and place scheduled for the initial hearing upon the public utility's application. The utility shall reimburse the Commission for the cost of the postage and

- 1 supplies incurred for mailing the notice.
- 2 (b) At the first status hearing the administrative law judge shall set a schedule for discovery that shall take into consideration the expedited nature of the proceeding.
  - (c) Nothing in this Section prohibits a utility from requesting, or the Commission from approving, protection of confidential or proprietary information under applicable law. The public utility may seek confidential protection of any of the information provided pursuant to this Section, subject to Commission approval.
- 11 (d) The public utility shall publish notice of its 12 application in the official State newspaper within 10 days 13 following the date of the application's filing.
  - (e) The public utility shall establish a dedicated website for the Project 3 weeks prior to the first public meeting and maintain the website until construction of the Project is complete. The website address shall be included in all public notices.
  - (f) The Commission shall, after notice and hearing, grant a certificate of public convenience and necessity filed in accordance with the requirements of this Section if, based upon the application filed with the Commission and the evidentiary record, it finds the Project will promote the public convenience and necessity and that all of the following criteria are satisfied:
    - (1) That the Project is necessary to provide adequate,

reliable, and efficient service to the public utility's customers and is the least-cost means of satisfying the service needs of the public utility's customers or that the Project will promote the development of an effectively competitive electricity market that operates efficiently, is equitable to all customers, and is the least cost means of satisfying those objectives.

- (2) That the public utility is capable of efficiently managing and supervising the construction process and has taken sufficient action to ensure adequate and efficient construction and supervision of the construction.
- (3) That the public utility is capable of financing the proposed construction without significant adverse financial consequences for the utility or its customers.
- (g) The Commission shall issue its decision with findings of fact and conclusions of law granting or denying the application no later than 150 days after the application is filed. The Commission may extend the 150-day deadline upon notice by an additional 75 days if, on or before the 30th day after the filing of the application, the Commission finds that good cause exists to extend the 150-day period.
- (h) In the event the Commission grants a public utility's application for a certificate pursuant to this Section, the public utility shall pay a one-time construction fee to each county in which the Project is constructed within 30 days after the completion of construction. The construction fee

- shall be \$20,000 per mile of high voltage electric service line constructed in that county, or a proportionate fraction of that fee. The fee shall be in lieu of any permitting fees that otherwise would be imposed by a county. Counties receiving a payment under this subsection (h) may distribute all or portions of the fee to local taxing districts in that county.
- 8 (i) Notwithstanding any other provisions of this Act, a
  9 decision granting a certificate under this Section shall
  10 include an order pursuant to Section 8-503 of this Act
  11 authorizing or directing the construction of the high voltage
  12 electric service line and related facilities as approved by
  13 the Commission, in the manner and within the time specified in
  14 said order.
- 15 (Source: P.A. 99-399, eff. 8-18-15.)